of 15th March, 1950. There is no fixed strength of Members in the Planning Commission.

(b) and (c) It is proposed to bring in some functional changes in the working of the Commission in the context of implementation of the Economic Reforms so that the Commission could concentrate more on new emerging areas/trends. There is no proposal to seek the advice of Inter-State Council.

Performance of IREL

*76. SHRI PARMESHWAR KUMAR AGARWALLA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the physical performance of the Indian Rare Earths Limited has shown a declining trend during 1996-97 and 1997-98;

(b) if so, the reasons therefor; and

(c) what steps have been taken by Government to change this trend?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SMT. VASUNDHARA RAJE): (a) As compared with 95-96, there was a decline in production during 1996-97. However there was significant recovery during 97-98 resulting in higher production and better financial performance.

(b) The main reasons for decline in production during 1996-97 were:

(i) Agitation by the workers for about 4 months demanding payment of bonus to those not entitiled to it in one of the plants of the company, *viz.* Chavara.

(ii) Inadequate availability of raw sand for mining due to the resistance by the local inhabitants against the collection of beach washings at Manavalakurichi and Chavara.

(iii) Suspension of operation of the Synthetic Rutile Plant for modifications in the process parameters.

(c) An additional minerals recovery plant has been commissioned in Chavara which facilitated inland mining. Efforts to persuade the local inhabitants were continued for improving the availability of raw sand. Modifications were made in the dredge & wet concentration plant at the Orissa Sands Complex at Chatrapur in Orissa which resulted in a significant increase in availability of concentrates. An extensive research & development effort was undertaken to modify the process for synthetic rutile production which is expected to increase efficiency, simplify operation and reduce the cost of the production. The modified process has been evaluated and trial production is planned from January 99. A value added production plant, namely PRYNCE, for production of neodymium oxide (which finds application in production of permanent magnets), was also commissioned in 1997 in the Rare Earths Division in Always in Kerala.

Natural Calamity Releif Fund

*77. SHRI SANJAY NIRUPAM: Will the PRIME MINISTER be pleased to state:

(a) whether Government propose to set up a Natural Calamity Releif Fund to provide relief in the event of natural calamities like floods, earthquakes etc. to the affected States;

(b) if so, the details of the scheme in this regard; and

(c) by when this fund will come into existence?

THE MINISTER OF STATE IN THE MINISTERY OF AGRICULTURE (SHRI SOMPAL): (a) to (c) Such a fund came into being when the Ninth Finance Commission provided for the constitution of a Calamity Relief Fund (CRF) with an annual allocation of Rs. 804.00 crore for the period 1990-91 to 1994-95 with a separate existence from the general revenues of the State. 75% of the CRF was contributed by the Government of

India in the form of a Non-Plan grant and the balance 25% by the concerned State Government.

The Tenth Finance Commission (TFC) recommended continuance of the scheme of CRF with a corpus of Rs. 6304.27 crore for the period 1995-96 to 1999-2000, to be contributed by the Central and the State Governments in the ratio of 3:1. The Central share is released in four equal quarterly instalments.

Total allocation of Rs. 1328.15 crore has been made to all the States under CRF for 1998-99, which includes Central share of Rs. 996.11 crore and State share of Rs. 332.04 crore.

In addition to CRF, on the recommendation of the TFC, a National Fund for Calamity Relief (NFCR) was created with a corpus of Rs. 700 crore for the period 1995—2000 to deal with calamities of rare severity, to be contributed by Central and State Governments in the ratio of 3:1.

Demands of Postal Staff

*78. SHRI S. VIDUTHALAI VIRUMBI: Will the PRIME MINISTER be pleased to state:

(a) the current situation regarding the solution to the demands made by the Postal staff during the recent agitation;

(b) whether the Department of Posts has agreed to offset the agitation period in such a way that Postal Staff do not suffer any loss of pay; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATION (SHRI KABINDRA PURKAYASTHA): (a) to (c) The 10-Point Charter of Demands submitted by the two Federations of Postal Employees in connection with the Postal strike during 8-9 July-16 July, 1998, comprised the following:—

(a) Implementation of all positive recommendations of Justice Talwar Committee on ED Agents and rejection of all adverse recommendations,

(b) Improvement in the Pay Scales of Postman grade,

(c) Implementation of revised bonus formula and grant of additional number of days bonus for the year 1996-97,

(d) The remaining demands related to upgradation of scales of Pay for different categoreis of employees in the Department of Posts like Group 'D', Postal Assistant, Accountant, Drivers and Workshop Staff, Stenographer and JAOs, and regularisation of Part Time/Casual Labours and grant of benefits on par with regular employees.

Issues regarding improvement of Pay Scales of Postman cadre and implementation of revised bonus formula along with additional number of days for bonus in respect of year 1996-97 were decided with the approval of the Cabinet and necessary orders in this regard have been issued. Implementation of recommendations of Justice Talwar Committee on ED Agents is under active considration of the Government.

In respect of the other demands regarding improvement of Pay Scales for different categories of staff in the Department, a Committee Chaired by Member (Personnel), Postal Services Board, has been set up with officials of the Department and representatives of the two Federations of Postal Employees. The Committees is entrusted with formulation of agreed views on the demands so that further appropriate action can be initiated for obtaining necessary orders of the Government. The Committee has held several meetings and its report is expected to be finalised shortly.

As regards the period of absence (of regular Government employees) due to the Postal strike during 8-9th July-16th July, 1998, orders have been issued for